

TO STUDY TALENT ACQUISITION STRATEGIES IN FMCG INDUSTRY WITH RESPECT TO DS GROUP, DABUR INDIA LTD. AND MOTHER DAIRY

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Abstract

Talent Acquisition involves all the sub-processes around finding, attracting and engaging highly talented individuals into your organization. FMCG industry alternatively called as CPG (Consumer packaged goods) industry primarily deals with the production, distribution and marketing of consumer-packaged goods. The Fast Moving Consumer Goods (FMCG) is those consumables, which are normally consumed by the consumers at a regular interval. Some of the prime activities of FMCG industry are selling, marketing, financing, purchasing, etc. The industry also engaged in operations, supply chain, production and general management. Researcher aim to study the present Talent Acquisition Strategies being operational in FMCG Industry with special reference to DS Group, Mother Dairy and Dabur India Ltd. Researcher has collected various facts and figures and tries to correlate and develop relationship between the various variables and the strategies adopted by FMCG Industry.

Keywords: FMCG Industry, Talent acquisition strategies, Recruitment, Sourcing.

Introduction

Talent acquisition involves the planning, sourcing, assessing, hiring and on boarding of top talent. Companies are prioritizing sourcing and assessment in order to improve company performance and increase retention rates.

How are companies winning the “war for talent”? The key findings in this report indicate that one of the most critical questions facing companies is how to develop the next generation of leaders. Today’s organizations are facing a market with enough qualified employees to fill necessary job roles. In order to stay afloat and gain competitive advantage, these companies need to be proactive and prepared for future performance with a “ready now” workforce. Companies no longer view human capital as a commodity but as an asset, and they recognize the criticality of investing in a talent acquisition strategy, as a way to identify, attract and engage high performers.

Talent Acquisition needs to be addressed at the most senior levels within all organizations - big or small, public or private. This means that **Talent Acquisition needs to fit 'hand in glove' with the overall organizational strategy**. It needs to have the appropriate level of resources behind it; it **needs to be monitored and reported** on at all board meetings and it needs to involve many people within the organization who attribute to it the importance that the organization requires.

Review of Literature

Anusha Agarwal (2011), Transformation is taking in Indian banks from all parameters which had lead to makeovers in banking products and dynamically altering the face of banking. In 1990’s greater emphasis was placed on technology & innovation. New concepts like personal banking, retail banking, total branch automation etc were introduced. The bank branches are working on the concept of 24 X 7 working made possible due to Tele banking, ATMs, Internet Banking, Mobile Banking and E - banking. The author mainly discussed the technological change and financial innovation of the banking sector during the past. It will indicate the role of financial system in economics and how technological change and financial innovation can improve social welfare. He

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also included the role of finance and financial innovation. Technology now allows banks to create what looks like a branch in a business building's lobby without having to hire manpower for manual operations. The beauty of these banking innovations is that it puts both banker and customer in a win-win situation. The need of an hour is to design a system to promote marginal efficiency of investment in technology and widen the gap between marginal benefits and marginal cost involved in Banking transformation with special reference to technological up gradation.

Mike Bendixen (2007) describes four approaches for configuring corporate HR strategy by firms from an emerging market when dealing with the integration-differentiation dilemma. Most research on strategic international HRM is on the perspective of the affiliate or discusses the degree of isomorphism between the HRM practices of the parent and affiliate. The authors apply a cross-case analysis of the cases of Nando's International, MTN International, Sasol and SABMiller, focus on the implementation of corporate HR strategies from the parent's perspective and show that MNEs differ in the scope and level of abstraction of their corporate HR strategies. It is further suggested that this is primarily due to differences in business model, the need to accommodate national culture, the type and role of organizational culture in the MNE, which impact on the level of convergence of HR management practices. In all of the cases, there is a large degree of variance in these factors.

Stuart So(2014) The objective of this work is to strengthen organisations' commitment to using sustainable supply chain management (SSCM), an emerging practice, which involves intra- and inter-organisational activities underpinned by supply chain operations reference model. The study critically reviews 42 research articles in SSCM that leads to six research propositions and a theoretical model. The model comprises three categories of adoption factors, i.e., organisational dynamics, enabling technology and management systems. The study aims to provide the ground works for opening a new research avenue with a multidiscipline approach by linking organisational behaviour (OB) and operations management (OM) to explain supply chain sustainability.

FMCG Industry

FMCG stands for Fast Moving Consumer Goods. It used to be called the grocery industry, now it's just called FMCG. FMCG is an ugly acronym for **Fast Moving Consumer Goods**, which translated into English means 'things you buy on a regular basis at places like your local supermarket.' Things like butter, potato chips, toothpaste, and razors.

Therefore, your deodorant cans, ice creams, hair gel, and stuff you can buy off the shelves at the local supermarket. It is a big industry to be involved in, with big players, diverse opportunities and global reach.

FMCG industry alternatively called as CPG (Consumer packaged goods) industry primarily deals with the production, distribution and marketing of consumer-packaged goods. The Fast Moving Consumer Goods (FMCG) is those consumables that are normally consumed by the consumers at a regular interval. Some of the prime activities of FMCG industry are selling, marketing, financing, purchasing, etc. The industry also engaged in operations, supply chain, production and general management. In this researcher paper, the researcher has specifically studies the talent acquisition strategies of three FMCG Companies i.e. DS Group, Dabur India Ltd and Mother Dairy.

DS Group, a pioneer and leading FMCG in India with some of its famous brands namely TULSI, RAJNIGANDHA, PASS PASS and CATCH. Now the rich portfolio of DS Group also includes REAL ESTATE and Hospitality Industry.

Dabur India Limited is the fourth largest FMCG Company in India with interests in Health care, Personal care and Food products. Building on a legacy of quality and experience for over 100 years, today Dabur has powerful brands like Dabur Amla, Dabur Chyawanprash, Vatika, Hajmola & Real.

Mother Dairy – Delhi was set up in 1974 under the Operation Flood Programme. It is now a wholly owned company of the National Dairy Development Board (NDDB). Mother Dairy markets & sells dairy products under the Mother Dairy brand (like Liquid Milk, Dahi, Ice creams, Cheese and Butter), Dhara range of edible oils and the Safal range of fresh fruits & vegetables, frozen vegetables and fruit juices at a national level through its sales and distribution networks for marketing food items.

Review of Literature

The overall fast moving consumer goods (FMCG) market is expected to increase at a compound annual growth rate (CAGR) of 14.7 per cent to touch US\$ 110.4 billion in the period 2012-2020, with the rural FMCG market anticipated to increase at a CAGR of 17.7 per cent to US\$ 100 billion during 2012-2025. The market size of the Indian FMCG sector is expected to reach US\$ 135 billion by 2020 from US\$ 44.9 billion in 2013. It is also the fourth largest sector in the Indian economy and has grown at an annual average of about 11 per

cent over the last decade. Food products, the leading market segment with 43 per cent of the overall market revenue together with personal care at 22 per cent make up two-thirds of the sector's revenue.

The term Talent Acquisition (TA) is often used synonymously with Recruiting. However, these are two very different things. Recruiting is a subset of TA, and includes the activities of sourcing, screening, interviewing, assessing, selecting and hiring. In some organizations this extends to the early stages of onboarding, which then becomes a shared responsibility between HR and the hiring manager, with support from the learning organization.

As the DS Group is diversifying into various fields, talent acquisition is the major priority. In DS Group, talent acquisition is done only in the event of non-availability of competent insiders for higher promotions. As a matter of policy, DS recruit candidates through job portals, consultants, campus recruitment and internal references.

As the global economy continues to become more knowledge and service-based, companies will need more workers with the mission-critical skills that create competitive advantage and drive business growth. The pressure to bridge the ever-widening skills gap, which used to be felt solely by corporate training and development functions, has now begun affecting every facet of talent management, with particularly dramatic implications for the recruitment process.

Recognizing that skills shortages will continue to deepen and the right skilling initiatives will become more common, hire candidates with the skills and abilities to meet current organizational needs and have the potential to adapt as companies change their organizational structures to stay in step with competitive market dynamics. First Advantage has created a formula to identify, cultivate and track the right talent and ensure business success for their clients.

Talent Acquisition in FMCG Companies is done only in the event of non-availability of certain Competencies / Skills required for performing particular jobs, from within the company. For top Managerial Positions wherein people are recruited from outside, the companies seeks professional support from consulting organizations. For other positions in the senior management and middle management levels, it recruits by advertising in Newspaper and especially in the Financial Newspapers of National repute and sourcing through the net or by using Job Portals.

Objectives

- To study Talent Acquisition Strategies in FMCG Companies.
- To study the process of Talent Acquisition in DS Group, Dabur India Ltd and Mother Dairy.

Research Methodology

Research is the solution of the problem, whether created or already generated. When research is done, some new outcome, so that the problem (created or generated) to be solved. The Research design used for carrying out this research is **Descriptive**.

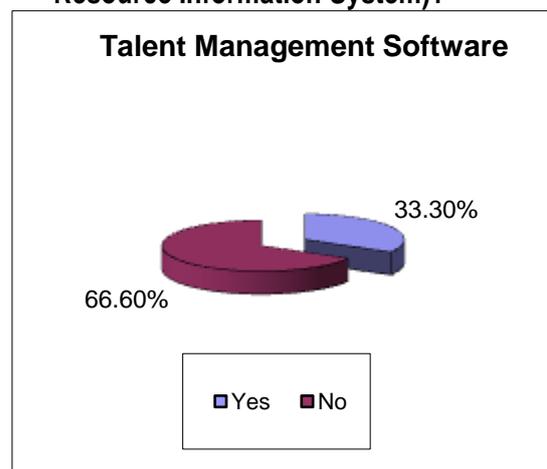
DATA TYPE - In this research, the type of data collection is **Primary Data**.

DATA SOURCE - The source of collection of Primary data is **Questionnaire**.

SAMPLING PLAN: It is very difficult to collect information from every member of a population. As time and costs are the major limitation that the researcher faces. A sample of 60 was taken. The sample size of 60 HR professionals was selected based on convenient sampling technique

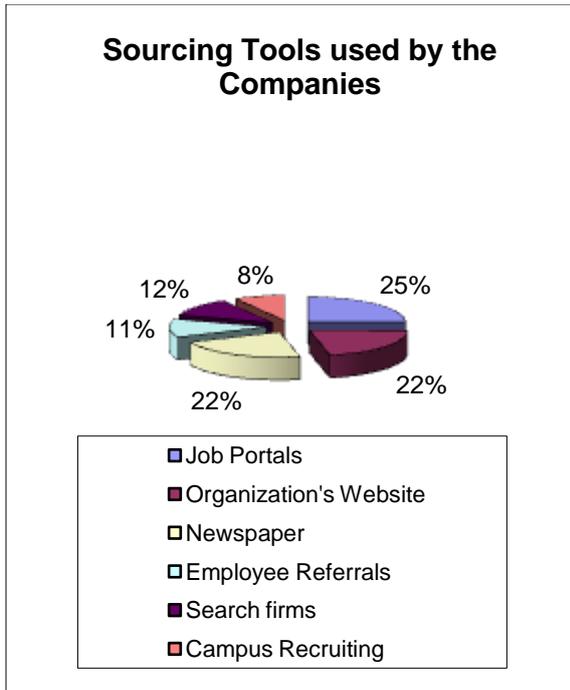
ANALYSIS AND INTERPRETATION

- **Do you use a Talent Management Software Package/HRIS (Human Resource Information System)?**

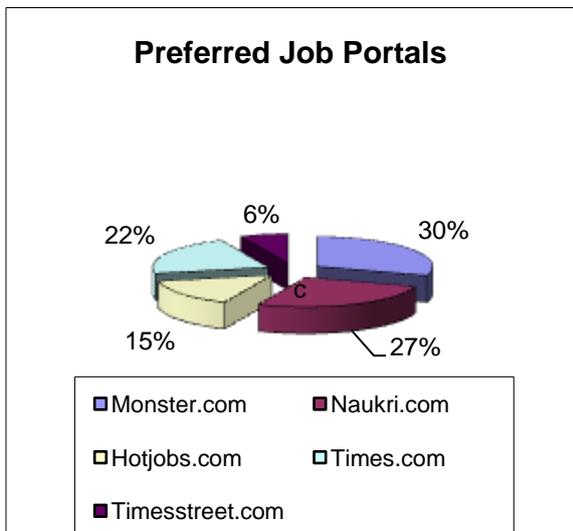


It was found that 33% of FMCG Companies are using Talent Management Software Package/HRIS and 66% of FMCG Companies are not using Talent Management Software Package/HRIS. DS Group and Mother Dairy are not using Talent Management Software Package/HRIS but Dabur India Ltd. is using Peoplesoft software since last four years. The company outsourced this software from Oracle.

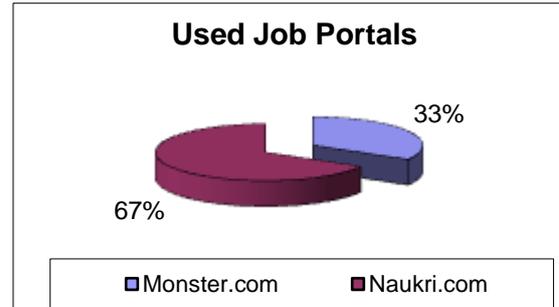
- Which of the following sourcing tools your company is using?



It was found that 24% of FMCG Companies are using Job Portals as a sourcing tool, 22% are using Organization's website and Newspaper, 12% are using Employee Referrals and Search firms, and 8% of FMCG Companies are using Campus Recruiting as a sourcing tool.



It was found that 29% of HR professionals prefer Monster.com, 27% of HR professionals prefer Naukri.com, 22% of HR professionals prefer Times.com, and 15% of HR professionals prefer Hotjos.com and 7% of Timesstreet.com.

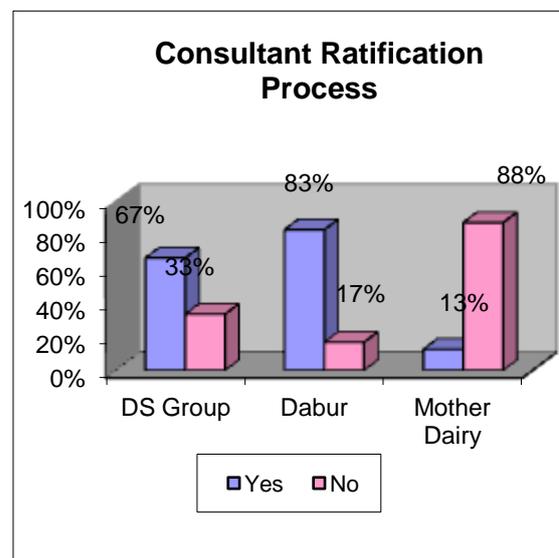


It was found that 67% of HR professionals are using Naukri.com and 33% of HR professionals are using Monster.com.

- Is there any proper consultant ratification process and response management in place and being practiced in the organization?

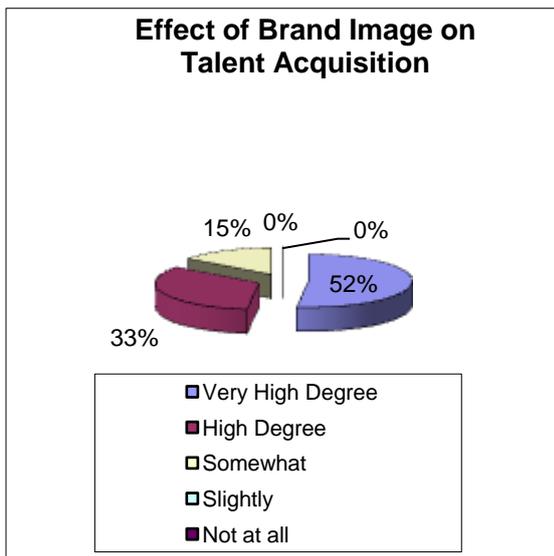


It was found that 52% of FMCG Companies have proper consultant ratification process and response management in place and being practiced in the organization and 48% of FMCG Companies do not have proper consultant ratification process and response management in place and being practiced in the organization.

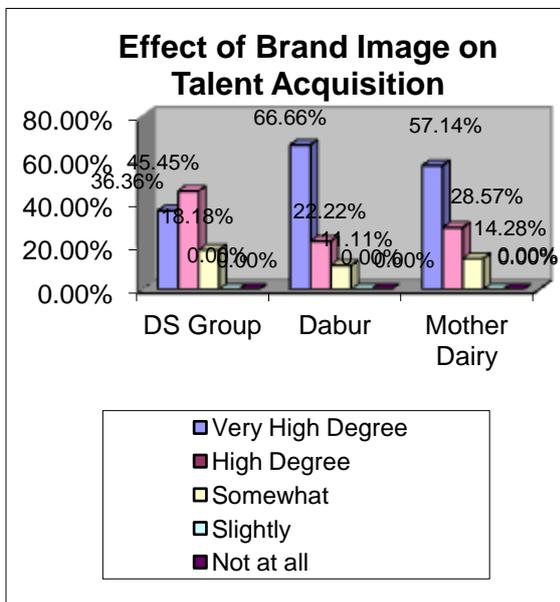


It was found that, 67% of HR professionals in DS Group, 83% in Dabur and 13% in Mother Dairy are saying that there is proper consultant ratification process and response management in place and being practiced in the organization. However, 33% in DS Group, 17% in Dabur and 88% of Mother Dairy are saying that there is no proper consultant ratification process and response management in place and being practiced in the organization.

➤ **To what degree, the Brand image of your company affects the Talent Acquisition?**

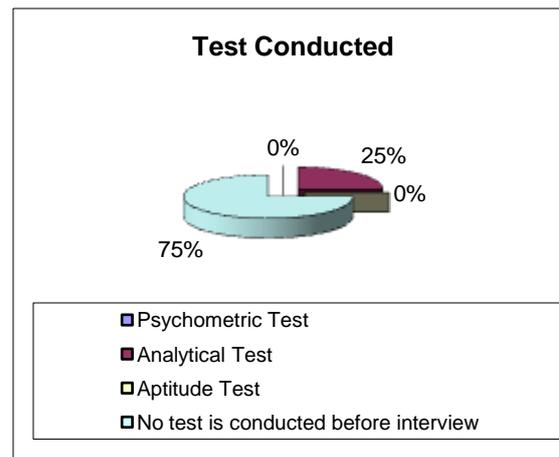


It was found that 52% of HR professionals are saying that the Brand image of their company affects the Talent Acquisition to a very high degree, 33% are saying to a high degree and 15% are saying somewhat.

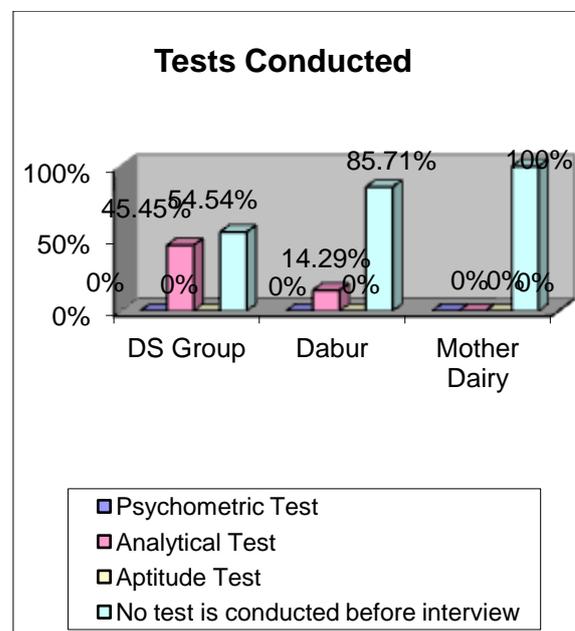


It was found that 36.36% of HR professionals in DS Group, 66.66% in Dabur, 57.14% in Mother Dairy are saying that the Brand image of their company affects the Talent Acquisition to a very high degree. 45.45% in DS Group, 22.22% in Dabur, 28.57% in Mother Dairy are saying to a high degree and 18.18% in DS Group, 11.11% in Dabur, 14.28% in Mother Dairy are saying somewhat.

➤ **Which of the following test(s) are conducted as part of pre-interview assessment?**

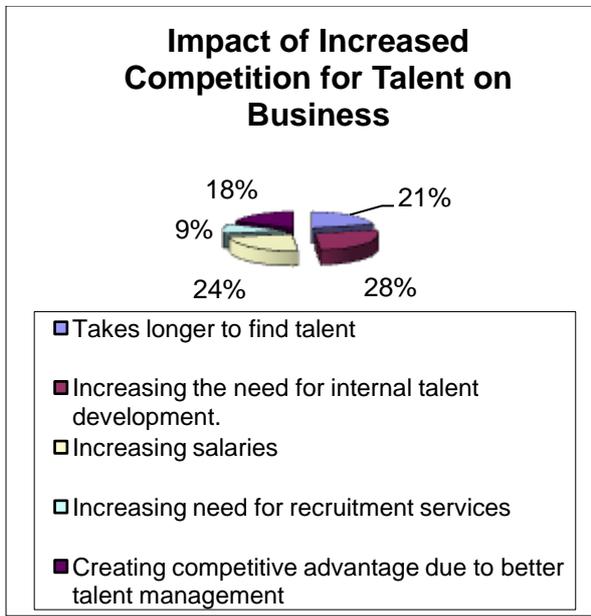


It was found that 75% of HR professionals in FMCG companies are saying that no test is conducted before interview, 25% are saying that analytical test is conducted as a part of pre-interview assessment. No psychometric or aptitude test are conducted as part of pre-interview assessment.



It was found that, 45.45% of HR professionals in DS Group, 14.29% in Dabur are saying that analytical test is conducted as a part of pre-interview assessment. 54.54% in DS Group, 85.71% in Dabur and 100% in Mother Dairy are saying that no test is conducted before interview.

➤ **How is increased competition for talent impacting your business?**



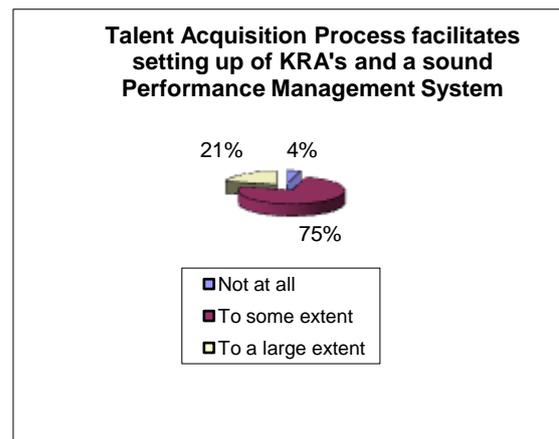
It was found that, 21% of HR professionals in FMCG companies are saying that it takes longer to find talent due to increased competition for talent. 28% are saying that this is increasing the need for internal talent development, 24% are saying that increased competition for talent is increasing the salaries. 9% are saying that it is increasing the need for recruitment services. Moreover, 18% are saying that increased competition for talent is creating a competitive advantage due to better talent management.

➤ **What is driving your company's need for new Talent Acquisition?**



It was found that, 60% HR professionals in FMCG companies are saying that company-diversifying growth is the major factor that is driving their company's need for new Talent Acquisition. 4% are saying that company's need for new Talent Acquisition is due to the evolving company culture. 18% are saying it is due to changing market demand and increasing employee turnover due to hot job markets.

➤ **Do you think Talent Acquisition as a process effectively facilitates setting up of KRA's and a sound Performance Management System?**



It was found that, 75% of HR professionals in FMCG companies think that Talent Acquisition as a process to some extent effectively facilitates setting up of KRA's and a sound Performance Management System. 21% of HR professionals in FMCG companies think that Talent Acquisition as a process to a large extent effectively facilitates setting up of KRA's and a sound Performance Management System. Whereas, 4% of HR professionals in FMCG companies think that Talent Acquisition as a process do not effectively facilitates setting up of KRA's and a sound Performance Management System.

It was found that, 9.1% of HR professionals in DS Group think that Talent Acquisition as a process do not effectively facilitates setting up of KRA's and a sound Performance Management System. 63.63% of HR professionals in DS Group, 85.71% in Dabur and 83.33% in Mother Dairy think that Talent Acquisition as a process to some extent effectively facilitates setting up of KRA's and a sound Performance Management System. Whereas, 27.27% of HR professionals in DS Group, 14.29% in Dabur and 16.66% in Mother Dairy think that Talent Acquisition as a process to a large extent effectively facilitates setting up of KRA's and a sound Performance Management System.

➤ **Do you have a referral policy in place to facilitate the Talent Acquisition Process?**



It was found that, 25% of HR professionals in FMCG companies are saying that they have a referral policy in place to facilitate the Talent Acquisition Process but 75% of HR professionals in FMCG companies are saying that they do not have a referral policy in place to facilitate the Talent Acquisition Process.

Findings

- Much of the Time, Money and Labor get wasted in Reading and Filing CVs that is due to the absence of any Talent Management Software in most of the FMCG Companies
- No Software Solution is there that saves time of searching the CVs that match a Job Opening.
- All the records such as number of LOI's issued number of candidates interviewed, number of candidates rejected, number of candidates joined, their joining date etc. are maintained manually which is again time consuming, expensive and at time risky.
- There is no Employee referral Scheme in most of the companies to capture the best talent for the company.
- No Talent Acquisition tools such as Psychometric test, Assessment Centers etc. is used for Recruitment, and only a standard interview is being taken and based on that selection is done.

Conclusion

Talent Acquisition in FMCG Companies is done only in the event of non-availability of certain Competencies Skills required for performing particular jobs, from within the company. For top Managerial Positions wherein people are recruited from outside, the companies seeks professional support from consulting organizations. For other positions in the senior management and middle management levels, it recruits by advertising in

Newspaper and especially in the Financial Newspapers of National repute and sourcing through the net or by using Job Portals. Much of the Time, Money and Labor get wasted in Reading and Filing CVs that is due to the absence of any Talent Management Software in most of the FMCG Companies. Hence,

- There is no effective Psychometric testing in use in FMCG Companies as a part of Talent Acquisition Strategy.
- Training of personnel with respect to Talent Acquisition Strategy is not satisfactory.
- The Human Resource Information System (HRIS) has not been initiated in some FMCG Companies.
- Motivational level of HR team towards referral policy is poor.

Recommendations

- FMCG Companies can go for the Software solution like Dabur India Ltd for all the recruitment functions from tracking the applicant until filing its documents, which could be cost effective and also saves time and reduces dependence on the consultants.
- FMCG Companies can introduce Employee Referral Program to fill the position available in the organization and they would get best of the Talent and the present employees feel involved in the management work, which would in turn motivate them.
- FMCG Companies can always use different Talent Acquisition tools like Psychometric test, Assessment centers, Open evenings, creative mail shots etc. to make their Talent Acquisition Process more efficient and innovative.
- FMCG Companies should provide intensive training to Talent Acquisition Team.
- FMCG Companies can start employee engagement activities this can be done by conducting brainstorming session with free flow of ideas.
- FMCG Companies can do Job Rotation to avoid Monotony creeping in Talent Acquisition department.
- Employees can be empowered by the introduction of innovative approach that can further generate strong Teamwork.

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